

S&P Global Philippines Manufacturing PMI[®]

Filipino manufacturing sector records renewed deterioration in April

April 2026

Sharp and fresh fall in new orders

Cost pressures intensify further

Business confidence highest in 17 months

April marked the first month of deterioration in the health of the Filipino manufacturing sector since last November.

The headline figure retreated further to print a sub-50.0 reading as new orders fell rapidly, and production stalled. Firms also reported reduced buying activity amid higher production costs, which in turn led them to fall back on their inventories. The sector also recorded a drop in staffing numbers, thereby marking the first month of job shedding in the year-to-date.

That said, goods-producing firms in the Philippines were hopeful that the coming 12 months will bring renewed production growth. The outlook for the year-ahead was the most optimistic for 17 months.

The Philippines Manufacturing Purchasing Managers' Index[™] (PMI[®]) posted 48.3 in April, down from 51.3 in March, to signal a moderate deterioration in operating conditions. The index fell for a second straight month to post in contraction territory for the first time since last November.

Pulling down the headline figure was a fresh and sharp decline new orders. The drop was the first in five months and the most marked since August 2021.

The demand picture for Filipino goods also worsened internationally, as new export orders fell at a notably accelerated and rapid pace. In fact, the downturn was the steepest since mid-2020. Firms noted that the closure of trade routes had resulted in halted shipments which created hesitancy among customers.

The decline in total new sales led Filipino manufacturers to see a stagnation in production levels in April. The respective seasonally adjusted index recorded a neutral reading of 50.0, marking a shift from the output growth observed in the opening quarter of 2026.

On the price front, the rate of input price inflation accelerated in April, signalling a rapid increase that was the fastest since December 2022. Firms attributed rising operating expenses to higher energy and shipping costs, both linked to the war in the Middle East.

S&P Global Philippines Manufacturing PMI
Index, sa, >50 = improvement m/m



Source: S&P Global PMI. ©2026 S&P Global.
Data were collected 9-23 April 2026.

Comment

Commenting on the latest survey results, Maryam Baluch, Economist at S&P Global Market Intelligence, said:

"The Filipino manufacturing sector started the second quarter of 2026 with a renewed worsening of operating conditions as the headline index fell below the neutral 50.0 reading for the first time in five months. Demand conditions took a notable hit with April data marking a sharp fall in new orders. Total new sales were also weighed down by a deteriorating export market demand picture. Moreover, production levels stagnated, and firms made cuts to purchasing and hiring activity as they grappled with high costs, often said to be feeding through from the war in the Middle East.

"However, manufacturing firms in the Philippines expect to shake off current woes, as confidence for the year ahead rose to a 17-month high."

Costs were largely passed on to clients through a sharp and stronger rise in factory gate charges. The rate of selling price inflation was the quickest in 41 months.

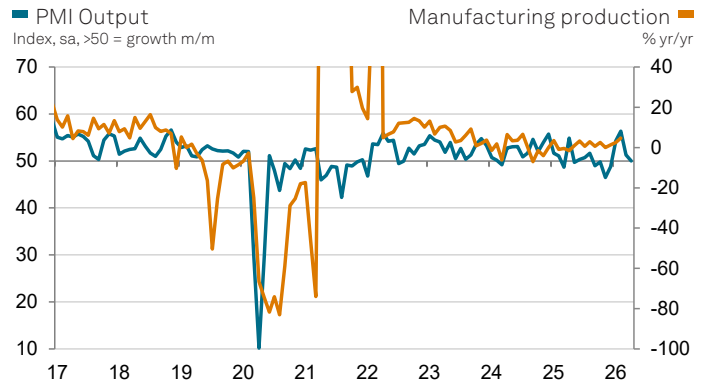
Firms registered a second straight monthly decrease in buying activity in April. With new orders down and higher prices for inputs and shipping, manufacturers instead turned to inventories to meet production requirements. Pre-production inventories were reduced for a second straight month, with the latest reduction steep and the most pronounced since May 2020. Holdings of finished items were cut back sharply following four successive months of stock building. The pace of decrease for the fastest in five months.

Higher costs also led Filipino manufacturing companies to make cuts to their staffing numbers in April. Renewed job shedding, though modest, was the first in 2026 so far.

Despite employment falling, firms managed to keep on top of their workloads as evidenced by a renewed fall in backlogs. A sharp reduction in new orders helped alleviate pressures on capacity, according to panellists.

Looking at supply chains, April marked a further deterioration in vendor performance. Average lead times for inputs lengthened solidly. Longer delivery times were widely linked to the war in the Middle East.

Lastly, business confidence for the year ahead strengthened. The degree of confidence was historically strong and ticked up to a 17-month high. Positive sentiment was underpinned by hopes of a growing client base and improved underlying demand trends, according to anecdotal evidence.



Sources: S&P Global PMI, Philippines Federal Reserve via S&P Global Market Intelligence. ©2026 S&P Global.

Contact

Maryam Baluch
Economist
S&P Global Market Intelligence
T: +44 134 4327 213
maryam.baluch@spglobal.com

Eri Amano
APAC Senior Communications Manager
S&P Global Market Intelligence
Tokyo
+81(0) 80 3714 7658
eri.amano@spglobal.com
press.mi@spglobal.com

If you prefer not to receive news releases from S&P Global, please email press.mi@spglobal.com. To read our privacy policy, click [here](#).

Methodology

The S&P Global Philippines Manufacturing PMI® is compiled by S&P Global from responses to questionnaires sent to purchasing managers in a panel of around 400 manufacturers. The panel is stratified by detailed sector and company workforce size, based on contributions to GDP. Data collection began in January 2016.

Survey responses are collected in the second half of each month and indicate the direction of change compared to the previous month. A diffusion index is calculated for each survey variable. The index is the sum of the percentage of 'higher' responses and half the percentage of 'unchanged' responses. The indices vary between 0 and 100, with a reading above 50 indicating an overall increase compared to the previous month, and below 50 an overall decrease. The indices are then seasonally adjusted.

The headline figure is the Purchasing Managers' Index™ (PMI). The PMI is a weighted average of the following five indices: New Orders (30%), Output (25%), Employment (20%), Suppliers' Delivery Times (15%) and Stocks of Purchases (10%). For the PMI calculation the Suppliers' Delivery Times Index is inverted so that it moves in a comparable direction to the other indices.

Underlying survey data are not revised after publication, but seasonal adjustment factors may be revised from time to time as appropriate which will affect the seasonally adjusted data series.

For further information on the PMI survey methodology, please contact economics@spglobal.com.

Disclaimer

The intellectual property rights to the data provided herein are owned by or licensed to S&P Global and/or its affiliates. Any unauthorised use, including but not limited to copying, distributing, transmitting or otherwise of any data appearing is not permitted without S&P Global's prior consent. S&P Global shall not have any liability, duty or obligation for or relating to the content or information ("Data") contained herein, any errors, inaccuracies, omissions or delays in the Data, or for any actions taken in reliance thereon. In no event shall S&P Global be liable for any special, incidental, or consequential damages, arising out of the use of the Data. Purchasing Managers' Index™ and PMI® are either trade marks or registered trade marks of S&P Global Inc or licensed to S&P Global Inc and/or its affiliates.

This Content was published by S&P Global Market Intelligence and not by S&P Global Ratings, which is a separately managed division of S&P Global. Reproduction of any information, data or material, including ratings ("Content") in any form is prohibited except with the prior written permission of the relevant party. Such party, its affiliates and suppliers ("Content Providers") do not guarantee the accuracy, adequacy, completeness, timeliness or availability of any Content and are not responsible for any errors or omissions (negligent or otherwise), regardless of the cause, or for the results obtained from the use of such Content. In no event shall Content Providers be liable for any damages, costs, expenses, legal fees, or losses (including lost income or lost profit and opportunity costs) in connection with any use of the Content.

S&P Global

S&P Global (NYSE: SPGI) provides essential intelligence. We enable governments, businesses and individuals with the right data, expertise and connected technology so that they can make decisions with conviction. From helping our customers assess new investments to guiding them through ESG and energy transition across supply chains, we unlock new opportunities, solve challenges and accelerate progress for the world.

We are widely sought after by many of the world's leading organizations to provide credit ratings, benchmarks, analytics and workflow solutions in the global capital, commodity and automotive markets. With every one of our offerings, we help the world's leading organizations plan for tomorrow, today. www.spglobal.com

PMI by S&P Global

Purchasing Managers' Index™ (PMI®) surveys are now available for over 40 countries and also for key regions including the eurozone. They are the most closely watched business surveys in the world, favoured by central banks, financial markets and business decision makers for their ability to provide up-to-date, accurate and often unique monthly indicators of economic trends. www.spglobal.com/marketintelligence/en/mi/products/pmi